

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the  
Commission's Proposed Policies and Programs  
Governing Low-Income Assistance Programs.

Rulemaking 01-08-027

**ASSIGNED COMMISSIONER'S RULING DIRECTING  
PACIFIC GAS AND ELECTRIC COMPANY TO RESPOND TO  
EMERGENCY MOTION REGARDING SUSPENSION OF  
THE LOW-INCOME ENERGY EFFICIENCY WEATHERIZATION PROGRAM**

By Decision (D.) 01-05-033, the Commission adopted a rapid deployment strategy for the Low-Income Energy Efficiency (LIEE) programs of several utilities, including Pacific Gas and Electric Company (PG&E). The Commission adopted a funding level for PG&E's PY2001 LIEE activities of \$60,152,794, which reflected \$29,109,000 collected annually via the Public Goods Charge (PGC) and \$31,043,794 in carryover funding available from prior year unexpended budgets.<sup>1</sup> The Commission stated that the LIEE program should continue "until further Commission order," and articulated its expectation that this effort would need to continue "through the end of 2001 and perhaps well into 2002."<sup>2</sup>

During a prehearing conference (PHC) on February 8, 2002, PG&E indicated that its LIEE funding available for PY2002 was estimated to be \$62 million (comprised of \$29 million PGC funds currently in rates and \$33 million in carryover funds), and that this amount would be sufficient for PG&E's to continue the LIEE program throughout PY2002. Relying on that representation

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<sup>1</sup> D.01-05-033, pp. 57-58.

<sup>2</sup> D.01-05-033, p. 67; Ordering Paragraph 19.

and the monthly rapid deployment report, the Commission reiterated in D.02-07-033 that PG&E's rapid deployment program adopted in D.01-05-033 should continue until further Commission order.<sup>3</sup>

On August 5, 2002, the Low-Income Service Providers Alliance (Alliance) filed an Emergency Motion to Continue LIEE Weatherization Services for PG&E's Low Income Households (Emergency Motion), in which it reports that, effective August 1, 2002, PG&E suspended its 2002 LIEE program (except for the partial weatherization of a small number of homes which PG&E had already approved). The Alliance reports that PG&E notified LIEE providers on July 31, 2002 that LIEE program funds had been completely committed and that LIEE activity must be suspended effective August 1, 2002. Several parties have filed responses to the Emergency Motion.

PG&E's suspension of the LIEE program is disturbing for several reasons. First, such a unilateral suspension would be counter to the Commission's direction in both D.01-05-033 and D.02-07-033 that the LIEE program continue until further Commission Order. PG&E has not asked the Commission for permission to suspend the LIEE program nor has it requested additional funding. In light of PG&E's representation at the February 8, 2002 PHC that existing funding levels were adequate to continue the LIEE program throughout 2002, it is quite a surprise to learn that PG&E has now suspended the program due to alleged overcommitment of the program.

Even if PG&E's LIEE program has been successful to the extent that the available funds are fully committed for low-income direct weatherization and

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<sup>3</sup> D.02-07-033, p. 58; Conclusion of Law 1.

energy efficiency services, an early termination can harm the program in other important respects. The Alliance describes the dislocations to LIEE contractors who geared up to provide LIEE services and the hardship to their employees, who may be laid off or put on reduced work. To disrupt the programs at this is unacceptable and produces harm to the contractors. Plus, low-income families who had enrolled in the weatherization program and expected to receive services shortly will have to wait and may have to go through the inconvenience and further delay of re-testing and re-certification after the LIEE program is recommenced.

I direct the Energy Division to evaluate the reported suspension of PG&E's LIEE program and provide a recommendation regarding the Emergency Motion and whether PG&E's management of its LIEE program should be audited. Further, I direct Energy Division to monitor PG&E's continuation of the rapid deployment measures to make sure it complies with previous Commission decisions.

**IT IS RULED** that:

1. PG&E's rapid deployment measures will continue until further Commission order as directed in D.01-05-033 and D.02-07-033.
2. The Energy Division shall evaluate the reported suspension of PG&E's LIEE program and shall provide recommendations regarding the Emergency Motion and whether PG&E's management of its LIEE program should be audited.
3. Energy Division shall monitor PG&E's rapid deployment measures for continuation without further suspension.
4. PG&E's response shall be filed at the Commission's Docket Office and served electronically on all appearances and the state service list in this proceeding. Service by U.S. mail is optional, except that one hard copy shall be

mailed to Administrative Law Judge Meg Gottstein at P.O. Box 210, Volcano, CA 95689. In addition, if there is no electronic mail address available, the electronic mail is returned to the sender, or the recipient informs the sender of an inability to open the document, the sender shall immediately arrange for alternate service (regular U.S. mail shall be the default, unless another means—such as overnight delivery—is mutually agreed upon). Parties that prefer a hard copy or electronic file in original format in order to prepare analysis and filings in this proceeding may request service in that form as well. The current service list for this proceeding is available on the Commission’s web page, [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

Dated August 20, 2002, at San Francisco, California.

/s/ CARL WOOD  
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Carl Wood  
Assigned Commissioner

**CERTIFICATE OF SERVICE**

I certify that I have by mail , and by electronic mail this day served a true copy of the original attached ***Assigned Commissioner's Ruling Directing Pacific Gas and Electric Company to Respond to Emergency Motion Regarding Suspension of the Low-Income Energy Efficiency Weatherization Program*** on all parties of record in this proceeding or their attorneys of record.

Dated August 20, 2002, at San Francisco, California.

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/s/ SUSIE TOY

Susie Toy

**N O T I C E**

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

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